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SUBJECT: France and the Algerian Problem

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and economic position and its relations with Africa have assumed critical proportions during 1957. The Algerian issue in varying degrees has greatly affected France's current financial crisis, the fall of the Mollet government, the imbroglic with Tunisia, and the entire range of French foreign policies. An outburst of terrorism and ricting in Algiers preceded the Bourges-Mannoury government's entry into office earlier this month. In these circumstances, two questions appear to require special consideration: (a) whether any real change in France's Algerian policy is likely this summer, and (b) whether the French administration in Algeria, if not the Fourth Republic, is likely to be drastically altered during this period as a consequence. Our present answer to both questions is in the negative.

This memorandum, which has been discussed with OCI, is an interim assessment pending a new NIE on France (including Algeria) now scheduled for 1 August production.



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- The Situation in Algeria. Whereas it was possible last summer 2. to envisage the development of a more liberal French policy toward Algeria, the impact of the Suez intervention on France distated a different course of events. Beginning with the arrival of General Massu and his paratroopers in Jamuary, a renewed emphasis was placed on the repressive rather than the reforming aspects of Minister Resident Lacoste's "pacification" policy for Algeria. It is true that Lacoste perservered with his administrative and other reforms - most of which have been embodied in special legislation - but the relative failure of these plans has been widely recognized for months. Moreover, the need to give French army officers administrative functions which otherwise could not have been fulfilled has tended to entrench the army in control of Algeria. During the same period, Mollet was being forced away from the original conditions of his January "cease-fire" offer, and toward adamant support for Lacoste. These trends have resulted in increasing power for the French army, the reduction of French informal contacts with the rebel FLN (National Front) leaders, and a widening gulf between the European and Moslem communities.
- 3. On its side, the FLN has apparently made substantial gains in over-all strength, although the numbers of its "Liberation Army" (ALN) have remained roughly constant at about 20-25,000 over the past year.

  There are reports of confusion and jealousy among the FLN-ALN members.

rivalry between them and the older MNA (Algerian National Movement, whose limited strength consists mainly of North Africans in France), and tribal feeding in remote areas. The nationalist movement as a whole nevertheless seems to maintain its high morale. It is receiving ample material and moral support from other Arab areas, it has at least the tacit support of the majority of Algerians — who are being alienated by Franch security measures — and its increasingly heavy casualties appear to be replaced without much difficulty. The FLN continues to insist as a minimum upon Franch recognition of the principle of Algerian independence, and it has rejected both the cease-fire offer and Tunisian Premier Bourguiba's suggestions for a test of Franch intentions.

to The fall of the Mollet government on 21 May stimulated the FLN to fresh terrorist activity, largely designed to attract international attention and to impress both the Algerian populace and the next French cabinet with the failure of pacification and the need for an accommodation with the nationalist movement. This remains the most likely explanation of the massacre near Melouza at the end of May, although tribal feuds may have played an important role. The several explosions in Algiers early this month were clearer cases of nationalist terrorism, and provoked a significant reaction in the colon rioting (mostly by students and veterans) of 11 June, which to some extent played into FLN hands. The return of an uneasy calm to the capital has been accompanied by a growing colon realization of the futility of the outburst; the influence of more moderate European leaders in Algiers appears to have at least temporarily increased.

- Concern over these events in Algeria, as well as riots and assassinations in France itself, has been reflected in changed French tactics, but not in French policy. The present government im some ways has taken a firmer position than its predecessor on quelling the rebellion. The conflict has gained a new intensity and dimension; the French have announced a large-scale air operation against rebel bands near Fhilippeville, and recent troop clashes have involved larger numbers and essualties. Moreover, the French command apparently has decided that protection cannot be afforded all areas at once, and that some will have to be left unguarded in order to concentrate on pacifying certain regions. This will almost certainly result in more stringent French measures in such regions and increased rebel activities in the unprotected areas. The FLN will probably do its utmost to discomfit France prior to the UN General Assembly session early this fall. Continued and heightened violence thus seems in store for Algeria over the next few months.
- 6. The Rationale for a New French Policy. In this situation, pressure for a new French policy in Algeria is mounting and a willingness to discuss the problem objectively is becoming more progalent. An element of the French press has been discussing the Algerian problem over the last several months in terms other than solely a passionate defense of current policy. This is apart from the emotional

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to Servan-Schrieber's LoExpress attack on French "pacification" tactics.

Moreover, a number of politicians as well as political commentators are
privately conceding the eventual French loss of Algeria. Similar but
unexpressed fears are beginning to affect a segment of the public.

- 7. The bulk of the pressures for a change are concerned with the over-all French position vis-a-vis Africa. Heading the list are the considerations arising from the much-publicized oil discoveries and in the Sahara. To reflect their importance, economic organization to exploit the many Saharan natural resources was set up some months ago by the French, and the present French cabinet includes a new Minister for the Sahara. There is a growing realization that the present Algerian strife is incompatible with plans to extract the oil, and to build and maintain pipelines. Hence there are indications of a changing attitude toward the Algerian rebellion not only among business interests both in France and Algeria, but also within modern political circles in the metropole although the latter development is still highly tenuous.
- S. But the Sahara and its resources are not confined to Algeria;

  French West and Equatorial Africa and Morocco are also involved in these economic considerations. Behind the French creation and current application of the <u>loi-cadre</u> to the Tropical African territories lies the belief that such action is vitally needed to prevent the spread of the Algerian infection and to insure future French access to Saharan resources.

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Moreover, the French risked causing the breakdown of negotiations for the European common market in order to obtain assistance in developing Africa's resources. While France thus has a strong interest in the peaceful development of areas bordering Algeria, those areas themselves have no less a stake in avoiding hostilities and obtaining French financial aid. Both Premier Bourguiba and the Sultan of Morocco have attempted to mediate between the Algerian rebels and the French, and they are likely to increase their efforts to bring about an Algerian settlement. A further attempt at mediation — by France's partners in the Coal and Steel Community — may be developing this fall in connection with plans to associate Morocco and Tunisia with the common market project.

9. Another salient aspect of the pressures for a changed French policy toward Algeria is the cost of repressing the rebellion — well over one billion dollars a year. While a substantial portion of this sum would not be "found money" in the event of an Algerian settlement, the continued conflict contributes greatly to the French inflationary problem — specifically the bill for imports. The French Assembly has shown a not unprecedented reluctance to pay for the consequences of policies it supports. Thus the <u>maderial</u>, who have been the staumchest advocates of a firm stand in Algeria, overthrew Mollet when he submitted the bill, although they had the excuse of having opposed his social expenditures. The present government is in the process of submitting an even larger bill, but one designed to bear less heavily on the business community.

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Party's dilemma over Algeria are likely to expand. A small but growing minority of the SFIO deputies has been opposed to the Algerian policy espoused by its chief. This opposition was muffled while Mollet was premier and continues to be inhibited by the presence of SFIO ministers in the present cabinet, but the collective Socialist conscience is likely to be increasingly pricked by developments in Algeria. The financial policies of the Bourges governments especially if it shows undue concern for business sensitivities, probably will make it easier for the Socialist conscience to operate. Reversal of French trade liberalization within OEEC is already causing much concern, particularly with regard to prospects for ratification of the common market project. The Socialist position with respect to the present government's over-all policies may be subjected to considerable criticism at the SFIO national congress later this month.

Algorian policy for the most part may still be too incheate and too logically, rather than emotionally, based to have an incisive effect in the near future. The French government, political parties, and public to a considerable extent remain prisoners of the intense nationalist sentiment and propaganda which were evoked by the Suez affair. Propenents of any substantial change in the Algerian relationship with France are liable to be charged with "abandonment" of Algeria if not with betrayal.

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of the army. The French army has to a large degree committed its prestige in Algeria, and tends to regard its past traditions and future position as being at stake. There is, in addition, the recurring theme that any fundamental French policy shift would mean desertion of "one million Frenchmen", a thesis which is not shaken by the fact that it is doubtful whether even a majority of the colons originally derived from metropolitan France.

12. In determining its policy, the French government must confront the spectres of an army coup or a colon uprising. We believe that either contingency is highly unlikely except in the event of an abrupt and drastic change in French policy, which is equally improbable at present. The colons are not wholly of one mind with respect to rigid insistence on the present policy. Their influence has declined somewhat as a result of their inability to prevent some of the Lacoste reforms, and they are unlikely to attempt rebellion or concerted and sustained violence to pressure the government without the support or at least the sympathy of the army. The latter generally stood by during the recent riots and gave only minimal protection to the Moslems; it might take the same attitude toward further similar incidents involving the colons. However, army support for more extreme colon action probably would entail a readiness to undertake a military coup. There is considerable dissatisfaction among regular army officers in Algeria regarding past French policies, but there is

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little evidence that they are thinking in terms of a coup. There are even fewer indications of any serious planning for a coup in France itself. While the usual speculation about de Gaulle was prevalent during the recent political "crisis", it is particularly unlikely that the general — who has always insisted on a legal devolution of power — would attempt to take the rains over the Algerian issue. Indeed, there is reason to believe that his attitude toward Nort. Africa is not very different from that of Mendes-France.

his attachment to the Mollet-Lacoste policies, has stated his intention to: (a) pursue "profound administrative reforms" with the eventual objective of abolishing the government-general and replacing it with a desentralized administration; and (b) propose a "loi cadre" for a new Algerian political structure, starting with local institutions and proceeding upward by slow stages. These programs appear to promise little beyond the plans already launched by Lacoste without much effect. The probable sine qua non for an Algerian settlement is French negotiation with the rebel leaders. No French government is likely to attempt efficial talks with the Algerians during these summer months except on terms which would probably be unacceptable to the rebels. While it is possible that the former unofficial contacts might be reestablished, the

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the nationalists to the conference table. Not only the premier's past performance and current predelictions, but his need for rightist votes in the Assembly would preclude such concessions.

Ih. Thus it is unlikely that there will be any fundamental change in French policy leading toward an Algerian settlement before next fall. Since we estimate that Bourgès has only a somewhat better than even change of retaining office until the Assembly summer recess, it is possible that the above judgments might be vitiated by his overthrow. However, we believe that these judgments depend much more upon the nature of the Assembly and French spinion than on the character of the premier, and that they would remain valid during the next few months.

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